



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF CORRECTIONS
LANSING

DANIEL H. HEYNS
DIRECTOR

DIRECTOR'S OFFICE MEMORANDUM 2011 - 22R

EFFECTIVE: Immediately

DATE: September 20, 2011

TO: Executive Policy Team
Administrative Management Team
Wardens

FROM: Daniel H. Heyns, Director

SUBJECT: PD 04.02.105 "Prisoner Funds" - Centralized Receipting Office/Spending Restrictions

SUPERSEDES DOM 2011-22 (effective 08/03/11)

CENTRALIZED RECEIPTING OFFICE

Beginning October 1, 2011, JPay assumes the current responsibilities of the Centralized Receipting Office located at the Saginaw Correctional Facility (SRF). This means that allowable funds sent through the mail to be credited to a prisoner's trust account which are currently being processed by the SRF Centralized Receipting Office are to be sent directly to JPay for processing beginning October 1. In the interim, allowable funds may be sent to either JPay or the SRF Centralized Receipting Office.

Funds currently authorized to be processed by institutional business offices under PD 04.02.105 "Prisoner Funds" will be processed by the Southern Region Business Office beginning October 1, 2011; however, institutional business offices will continue to process pension/retirement checks, Veteran Affairs (VA) benefits, and other checks received at the institution directly from a government agency or private/retirement pension administrator for credit to a prisoner's account. Institutional business offices also may continue to process the following with approval of the Administrator of the Bureau of Fiscal Management (BFM) or designee:

1. Funds accompanying a prisoner from jail or other non-Department correctional facility;
2. Funds accompanying a prisoner when received at a reception facility;
3. Funds received for the sale of hobbycraft pursuant to PD 05.03.102 "Hobbycraft Program";
4. Refunds for goods or services paid from the trust account (e.g., vendor refund);
5. Funds best processed at the institutional business office.-

Effective immediately, any funds received for processing at a facility which the facility is not authorized to accept are to be returned to the sender with instructions to resend to JPay; funds received on or after October 1, 2011 which the Southern Region Business Office is authorized to process are to be handled in accordance with instructions issued by the BFM Administrator or designee. Beginning October 1, 2011, funds addressed to the SRF Centralized Receipting Office will similarly be returned unless otherwise directed by the BFM Administrator or designee.

JPay is responsible only for receipting incoming funds. Correspondence and other mail for the prisoner will not be processed by JPay and will be discarded if received. JPay may establish additional requirements which must be met for funds to be processed. Institutional and Region Business Offices authorized to receipt incoming funds also will not process correspondence and other mail for the prisoner and will return the mail to the sender.

Funds received by JPay from unidentified sources will be forwarded to the appropriate Region Business Office. The Region Business Office is responsible for preparing the notice of rejection and forwarding to designated institutional staff; institutional staff are responsible for providing notice of the rejection to the prisoner and conducting hearings as required by PD 04.02.105. As indicated in PD 04.02.105, funds found to be from an unidentified source are to be placed in the Prisoner Benefit Fund. Designated staff at the institution are to provide the appropriate Region Business Office with a copy of the hearing report or a copy of the prisoner's waiver of the hearing, as appropriate, to allow for disposition of the funds.

In conjunction with the Deputy Director of Correctional Facilities Administration or designee, the BFM Administrator or designee will provide additional information regarding this change in receipting and processing funds prior to October 1, 2011. The information will include required notices to prisoners and members of the public. The notice to members of the public is to be available at correctional facilities as well as on the Department's website.

SPENDING RESTRICTIONS

As set forth in PD 04.02.105, staff designated by the Warden are to monitor funds received for credit to prisoner trust accounts at their respective institutions in order to identify activity that may violate PD 04.02.105 or may be related to illegal activity. PD 04.02.105 allows Wardens to restrict a prisoner's spending if, among other things, the prisoner is found at a hearing conducted pursuant to Administrative Rule 791.3310 to be spending funds to exploit or corrupt another prisoner. Effective immediately, this is expanded to include using funds (as opposed to only spending funds) to exploit or corrupt another prisoner.

Whenever the prisoner's conduct constitutes misconduct (for example, "Possession of Money" if the prisoner received funds from the family member of another prisoner to pay off a debt), a misconduct report is to be written; the Warden may impose a spending restriction only upon a finding by the hearing officer that the prisoner engaged in such conduct. If the prisoner is found guilty of a Class I misconduct, a second hearing conducted pursuant to Administrative Rule 791.3310 is not required.

DHH/OLA